

Background on Procurement Preferences Task Force

Task Force

Recognizing the need to examine the state of Maryland procurement preference program for individuals with disabilities to ensure they support more contemporary practices, on March 30, 2004, the Governors' Office for Individuals with Disabilities, now the Maryland Department of Disabilities, in conjunction with the Department of General Services convened a Task Force to make recommendations for changes to the state procurement process to ensure that state procurement preferences support individualized, integrated employment opportunities for individuals with disabilities.

Goals of the Task Force

- Make cost neutral recommendations for how to most effectively shift preferences in the state procurement process and how to expand beyond its current preferred provider scope
- Set benchmarks for amount of time individuals spend in sheltered training environments and for individual milestones such as wages, promotions and increased skill training
- Identify how micro enterprise can be tapped, particularly in subcontracts
- Look at how to partner with Minority Business Enterprises
- Determine performance indicators and other measures for external evaluation of program
- Determine how to ensure procurement preference programs support individualized plans, informed consumers, ongoing consumer and employer satisfaction, retention and real choices

Task Force Members

Co-Chairs:

Jade Gingerich, Governor's Office for Individuals with Disabilities (now Department of Disabilities)

Anne Hubbard, Department of General Services

Invited Members:

Maryland Works

The League

Melwood

ARC of Northern Chesapeake

Bob Hoffman

Janice Frey Angel

Dick Barnard

Tim Quinn represented by Gail Fricke

ARC of Maryland	Sarah Basehart
ARC of Anne Arundel County	Kate Rollason represented by Ric Callahan
Developmental Disabilities Council	Cathy Lyle
Way Station, Inc.	Anne Rea
Mental Hygiene Administration	Steve Reeder
Developmental Disabilities Administration	Colleen Garauder
Division of Rehabilitation Services	Christine Johnson
Blind Industries and Service Management	Fred Puente represented by Jim Miller
Blind consumer	Hugh Arnold
Other consumers:	Tracy Wright
Parent	Jackie Golden
Lower Shore Enterprises	Mike Purkey
United States Department of Agriculture	John van de Vaarst
Program RISE	Morris Tranen

The following individuals shared their experiences with the Task Force as consumers or employers:

Tim Daly	Small Business Owner with a Disability
Keith Faulkner	H.F. Huber & Son, Inc. Employer
Jean Self	Sysco Food Services Employer
Legusta Floyd	Acclaim USA Employer

First Meeting

To lay the groundwork for the process, an employment vision for the Department of Disabilities, was refined by the group.

Vision

Maryland is a state whose policies and programs:

- view Marylanders with disabilities as able to work;
- ensure choices, opportunities, and incentives for them to engage in diverse meaningful employment in the most integrated setting possible; and
- engage procedures and practices that provide the most appropriate and least intrusive supports in a timely manner.

What Would You Do Differently Exercise

Task force members were asked to come prepared to the first meeting to share feedback to the following questions as they relate to the preference program being discussed:

- How can people with disabilities most meaningfully benefit from state procurement preferences? What recommendations do you have to accomplish this?
- Is the intent/objective currently outlined in the procurement preference being met? If not, what recommendations do you have to ensure they are met?

- Do you think they can be better met? If so, how?
- Is the vision of this task force currently being met through this particular procurement preference? If not, what are your recommendations to ensure that this vision is achieved?
- What outcomes are currently being achieved as a result of this preference? What outcomes do you think should be achieved?
- How do you suggest the outcomes be achieved?
- What methods do you suggest to evaluate the preference programs? Which group, organization, agency, individual, or association do you recommend be given responsibility for conducting the evaluations?

The group agreed to the following meeting schedule and topics:

March 30 (MD Relay)	Welcome/ Overview/Definitions
April 27 (MD Relay)	What Would You Do Differently/Next Steps
May 4 (WTC)	Other states models/Best Practices
June 22 (WTC)	MBE/Micro enterprise/Small Business
July 6 (MD Relay)	Evaluation/Indicators
August 10 (WTC)	Review Recommendations
August 24 (MD Relay)	Employer Feedback/Review Recommendations
Sept 14 (WTC)	Finalize Recommendations

In addition to the invited Task Force members, interested members of the general public were allowed to attend and participate in all meetings and all agendas included the following statement as a means to ensure broad input into the process.

Questions/suggestions/recommendations for the Task Force can be sent to mdprocurement@yahoo.com. We invite feedback from the task force members as well as the general public. Draft recommendations will be made available for public comment. Please indicate if you wish to be added to the email distribution list by sending a request with your email address to the email address listed above.

A list of individuals who received information and/or attended the meetings is available on request.

Procurement Preferences Task Force Final Recommendations

Recommendation 1

Revise the Procurement law and regulations to include the employment vision for Maryland and purpose/intent of the preferences. Intent put into law will reflect the principles of the Department of Disabilities. State preferences are to support the following while supporting the mission and goals of state procurement:

- Training opportunities to workers with disabilities in order that they may acquire hands on work experience and skills.
- Creation of diverse, quality community based jobs for individuals with a broad range of disabilities with an emphasis on individuals with significant disabilities
- Access to opportunities to build equity for/in businesses owned by individuals with disabilities or holding a controlling interest

The law should include the following definitions:

Diverse: Reflective of the broad range of occupational codes and industries

Quality Employment: Fair, competitive wages, benefits comparable to those in the competitive sector, daily worksite locations not segregated from and allow for meaningful interaction with the mainstream of community.

Qualified individual with disability: An individual who is currently receiving SSI/SSDI or meets the criteria to receive services from DORS, DDA or MHA

Significant disabilities (*Note that this is the Federal Definition from the Rehabilitation Services Act*): An individual with a significant disability is an individual

- (i) who has a severe physical or mental impairment that seriously limits one or more functional capacities (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome;
- (ii) whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time; and
- (iii) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculo-skeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or another

disability or combination of disabilities determined on the basis of an assessment for determining eligibility and vocational rehabilitation needs.

Recommendation 2

Change current language in the law from DOL certificate AND DORS certified to DOL certificate if paying sub minimum wage and/ accredited or been deemed status by DORS as a Community Rehabilitation Program (CRP). Remove all references to sheltered workshops and replace with CRP language and add references to integrated settings and consumer owned/operated businesses wherever possible.

Recommendation 3

Create incentives for CRPs who are successful in moving individuals from state funded contracts to private sector funded employment, provide employment and/or employment training to a greater number of individuals with significant disabilities, inmates or who encourage development of, access to and/or equity in consumer owned businesses.

Recommendation 4

Engage in a dialogue with State Use Industries to determine potential areas of collaboration.

Recommendation 5

The Pricing and Selection Committee should study the modification of the requirement that 75% of direct service workers must have disabilities to instead allow for a reduction in the 75/25 ratio on a case by case basis when movement of a worker/workers with disabilities into private sector employment occurs, to encourage movement into the private sector. Also, modify the requirement for 75% of the direct service workforce to be individuals with disabilities to allow that percentage to include other indirect positions as well to encourage movement of individuals with disabilities into supervisory roles.

Recommendation 6

Revise regulations governing the Pricing and Selection Committee. Designate the criteria for membership and describe who should be on it to potentially include representatives from among the following list. Create a job description and provide for term limits for all non-State designees to increase opportunities for participation and input. Use the Maryland Department of Labor, Licensing and Regulation as a resource in determining fair market wages.

- *Secretary of the Maryland Department of Transportation or designee;*
- *Secretary of the Maryland Department of General Services or designee*
- *Secretary of the Maryland Department of Disabilities or designee;*
- *Assistant State Superintendent of the Maryland State Department of Education's Division of Rehabilitation Services will recommend an individual with a disability who is a business owner.*
- *President of Blind Industries and Services of Maryland or designee as an ex officio member*

- *Secretary of the Maryland Department of Public Safety and Correctional Services or designee as an ex officio member*
- *Two Community Rehabilitation Providers nominated by eligible CRP's and selected by MDOD.*

Recommendation 7

Develop criteria to measure the achievement of the expanded intent of the preference program and a process by which data will be collected. Specify the reporting frequency and responsible entity to maintain data.

Recommendation 8

Develop several model demonstration programs through dialogue with a diverse array of employers and providers and identify resources outside the procurement process to support these activities. Models to explore further include, but are not limited to:

- An employer/provider partnership that enables individuals to obtain lucrative transferable skills/and community based employment outcomes
- A demonstration that looks at the state as employer using customized employment model

Use the model demonstration programs to assess effectiveness, consumer satisfaction, overall reduced costs to state through movement from state dollars to private sector dollars, increased quality indicators for individuals and other related outcomes to determine which models offer the greatest benefits to the state and individuals with disabilities, as a means to determine which models should be expanded.

Recommendation 9

Ensure that the preference law, regulations, policies, procedures and practices are transparent and consistent with the guiding principles of the Department of Disabilities. Ensure an ongoing flow of information and exchange of ideas occurs among government and stakeholders, including people with disabilities, for the purpose of evaluating progress relative to these recommendations and fine-tuning during the implementation process.

Recommendation 10

Beyond the scope of the preferred provider program, establish a meaningful and effective incentive and/or requirement for all state contracts to hire and maintain the employment of qualified candidates with disabilities, particularly small and medium sized employers.

Items under consideration should include:

- State contract specifications that require that DORS, BISM and CRPS are to be contacted first for candidates, and to sign an affidavit to that effect, based on the DHR model
- In the contract evaluation stage, allow additional points for employers who demonstrate an organizational commitment to hire individuals with disabilities

- Create the capacity within DGS to coordinate a mechanism whereby individuals with disabilities are employed on state contracts outside of preference contracts, and measure overall cost savings to the state based on private sector employment outcomes.
- Create set asides of particular contracts that may lend themselves to providing job opportunities for individuals with disabilities or require specific contracts to meet a set participation goal for individuals with disabilities
- Identify target industries for state contracting to build training and hiring partnerships
- Determine how to effectively monitor compliance and achievement of meaningful, mutually beneficial outcomes for individuals with disabilities and employers

Recommendation 11

Increase marketing, promotion, and compliance of the Preferred Provider program by DGS/MDOT. Request that DBED market the Small Business, MBE and any other preferences or activities that result from these recommendations to small businesses owned by individuals with disabilities and entities that provide training opportunities to people with disabilities (e.g. community colleges, service providers, and consumer advocacy organizations). Encourage the expansion or replication of the Preference program at the local level. Emphasis should be placed on increasing contract opportunities outside the Baltimore Washington Metropolitan area.

Recommendation 12

Require that materials related to tax credits for hiring individuals with disabilities and information as to where to locate qualified workers with disabilities are provided to all potential bidders. Require review of the materials at all pre-bid meetings.

Recommendation 13

Revise the state tax credit process to make it easier for small and medium sized employers to use.

Recommendation 14

Revise subcontracting regulations to encourage subcontracting within the preferred provider scope with the first priority given to for-profit businesses run by individuals with disabilities.

Procurement Preference Task Force Final MBE Recommendations

MBE Recommendation 1

Revise the MBE Certification Process to accept, without an additional eligibility process, as an eligible, qualified individual with a disability, an individual who has been previously determined to have a disability by a state or federal agency (i.e. DDA, DORS, SSA, MHA, Veterans), consistent with federal regulation.

MBE Recommendation 2

The MBE process should offer accommodation for disability when requested by an eligible individual.

MBE Recommendation 3

Marketing and outreach materials should be distributed to the disability community and include images of individuals with disabilities. All material should be made available in alternate format and include information on how to obtain materials in alternative formats upon request.

MBE Recommendation 4

Explore incubators/technical assistance models that build upon existing Maryland resources and programs that offer self-employment training for individuals with disabilities. Model should include development of a business cooperative or partnership strategy to enable business owners with disabilities to fulfill the contract obligations by sub-contracting certain portions.

MBE Recommendation 5

Revise executive order to require that representation on Governor's Office of Minority Affairs' Council (who are appointed by the Governor) include a business owner with a disability.

MBE Recommendation 6

Examine the Small Business and Minority Mentor Protégé program to expand it to include people with disabilities.

MBE Recommendation 7

Review the MBE Disparity study to ensure that the scope encompasses people with disabilities and uses good data.

MBE Recommendation 8

Evaluate the potential for Maryland to establish a program similar to the federal disabled service veteran's business owner preference.

